

Date: October 12, 2012

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Marvin G. Williams, Public Works Director
Subject: Agenda Item - Rescinding the Ordering of Making Certain Improvements – Bramble Drive and Covey Court Sewer Main Extension

Executive Summary:

On May 7, 2007, City Council ordered a sewer main improvement for a portion of Bramble Drive and all of Covey Court. This proposed improvement was contingent upon the private construction of a sanitary sewer outfall line by the developer of the proposed Highland Park Subdivision. This proposed improvement is outside the City Limits and was ordered as a result of a valid petition from the abutting property owners, with the understanding that the Highland Park outfall line must be constructed first.

Since the time of the original order, no progress has been made toward the development of Highland Park nor has the proposed outfall line been built.

Recommendation:

As a result of the Highland Park Subdivision not moving forward, and therefore no outfall line having been built, the Public Works Department recommends that the City Council rescind the resolution ordering the sewer main on Bramble Road and Covey Court.

Should the Highland Park subdivision and the proposed outfall line get built in the future, the residents of these streets would have the option to petition again for this improvement at the assessment rates, rules and regulations in effect at that time.

Background:

In March 2006, a resident of Covey Court requested a petition for the extension of a sewer main on Bramble Drive and Covey Court. At that time plans for a development (Highland Park) had been received by the City and subsequently this subdivision was approved and permits were issued for the extension of both water and sewer to this area. A part of this sewer extension would have involved the construction of an outfall line that would have allowed extensions (if petitioned for) into the Willow Hill Subdivision, of which Bramble Drive and Covey are a part. The sewer petition was issued with the caveat that this project would be contingent upon the construction of an accessible sewer outfall as part of the proposed Highland Park Subdivision. The cover memo for the resolution adopted on May 7, 2007 by City Council also explained that this project was contingent upon the completion of the Highland Park outfall by the developer of Highland Park. To date there has been no progress towards the construction of this outfall.

Issues/Analysis:

The petition for this sewer was requested and circulated on behalf of the owners of property on Bramble Drive and Covey Court in the Willow Hill Subdivision. This project was contingent upon the completion of a necessary sewer outfall line by the developer of Highland Park Subdivision. At the present time the proposed subdivision has not come to fruition and the required sewer outfall line has not been built. There appear to be no immediate plans in the future to do so.

As a result of this development project being on hold it would seem there is no way that the Council-ordered sewer extension may be made anytime in the foreseeable future. As construction costs (and assessment rates) have increased considerably since the ordering of the sewer extension project, it does not appear to be in the best interest of the City to keep this petitioned sewer project on the books.

At least two properties have been sold since the improvement was ordered in 2007. There is a possibility that money was escrowed at closing for the pending assessments. Should this improvement be rescinded by City Council, staff will notify the closing attorneys so that they may take appropriate action to disperse any monies collected.

Alternatives:

City Council could choose not to rescind its previous action ordering this improvement. This would result in the project remaining in a holding pattern awaiting the construction of the needed outfall. Should Council choose to do this, the assessment rate in effect at the time of the original ordering (\$31.80 per front foot) would remain in effect. Property owners would be assessed upon completion of the sewer main and outfall. Please note that the current assessment rate for sewer improvements outside the City is a maximum of \$112.00 per front foot.

The other option is for City Council to rescind the ordering of this improvement, allowing the property owners in this area the option of re-petitioning for this improvement (at the rates, rules, and regulations in effect at the time of the new petition) at some point in the future if and when the needed outfall is constructed. This is the recommended option.

Financial Impacts:

Assuming the required outfall is ultimately built by a developer, the estimated cost of this project (at today's estimated cost) is about \$142,000.00. The assessment rate as originally ordered is \$31.80 per front foot, which would result in a total assessment of \$67,000.00. This would result in a cost to the City of approximately \$75,000.00 and probably more as construction costs continue to climb. The rescission of this improvement would result in that money being available to construct other water and sewer improvements currently on the waiting list.

SDBE Summary:

The SDBE Summary is not applicable to this item.

MGW/nlm